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DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

FILE: B-208395

DATE: March 29, 1983

MATTER OF: Western Roofing Service

DIGEST:

Where only one bid was received, which greatly exceeded the Government estimate, cancellation of the IFB was justified.

Western Roofing Service (Western) protests the rejection by the General Services Administration (GSA) of its bid for complete reroofing of the Social Security Administration Payment Center in Richmond, California, under invitation for bids (IFB) No. RCA20586.

We deny the protest.

Western submitted the only bid under the IFB. The contracting officer found that the bid, which greatly exceeded the Government estimate, was unreasonably high and that the bid did not provide competition which was adequate to insure reasonable prices. The contracting officer determined that the bid should be rejected in accordance with Federal Procurement Regulations (FPR) §§ 1-2.404-1(b)(5) and (7) (1964 ed., amend. 121). Western was notified of the reason for the rejection of its bid. Western then protested to our Office.

Western contends that the bid was rejected because it was the sole bid received and not because the bid was unreasonably high. The protester argues that GSA has furnished no basis for the determination that the price is unreasonable because GSA has refused to reveal the Government's estimate and related documents. A Freedom of Information Act (FOIA) request was filed by the protester for this information and the request was denied by GSA.

Citing our decision in Andero Construction Inc., B-203898, February 16, 1982, 82-1 CPD 133, the

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protester argues that a sole bid may constitute adequate competition if the agency has made an effort to achieve competition and that, in this procurement, GSA solicited bids from 50 contractors.

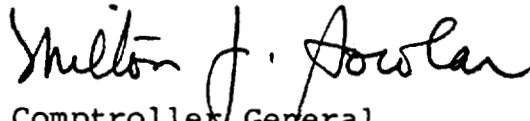
GSA contends that rejection of Western's bid was in accordance with FPR §§ 1-2.404-1(b)(5) and (7), supra, and was based on a finding that the bid was unreasonably high as compared with the estimate of the Government. The contracting officer has furnished a statement attesting that the determination to reject Western's bid was based on a thorough examination of the Government estimate, past procurement history, current market conditions and the relationship of the bid received to the Government estimate and all other relevant factors.

Because GSA intends to resolicit the requirement and intends to utilize the same estimate, which is considered to be valid, GSA has refused to release the estimate or the backup documents in order to insure a fair resolicitation. The estimate has been furnished to our Office for consideration in camera. However, because the information could not be furnished to the protester for review and comment, the contracting officer and the original estimators, consisting of two Government estimators and a private contract estimator, reconsidered and reaffirmed the estimate as fair and reasonable.

FPR § 1-2.404-1(a) (1964 ed., circ. 1), provides that, unless there is a compelling reason to reject all bids, preservation of the integrity of the competitive bidding system dictates that, after bids have been opened, award must be made to the lowest responsive, responsible bidder. Among justifiable reasons for rejection of all bids and cancellation of an IFB is the determination that all otherwise acceptable bids received are at unreasonable prices or that the bids received did not provide competition which was adequate to insure reasonable prices. Washington Patrol Service, Inc., B-202724, December 9, 1981, 81-2 CPD 452.

The protester argues that the receipt of a sole bid does not require cancellation of the procurement.

However, the extent by which the only bid received exceeded the Government estimate, together with the fact that there are no other bids with which to compare the sole bid or the Government estimate, supports the written determination of the contracting officer that competition was insufficient to insure reasonable prices and justifies the cancellation. Washington Patrol Service, Inc., supra.

A handwritten signature in cursive script, reading "Milton J. Fowler".

Acting Comptroller General
of the United States